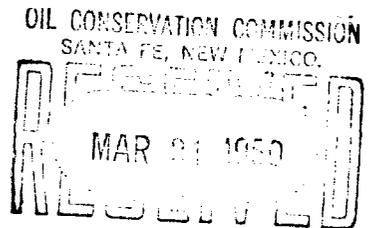


In the matter of the application of)
Gulf Oil Corporation for permanent)
exception on certain wells from)
Rules 112, 202 (b), 309, and 404)
as ordered by the New Mexico Oil)
Conservation Commission, "Rules and)
Regulations" effective January 1, 1950.)



A P P L I C A T I O N

Comes now Gulf Oil Corporation and shows to the New Mexico Oil Conservation Commission of the State of New Mexico as follows:

1. That Applicant, in accordance with Paragraph 3, Case No. 189, Order No. 850, "Rules and Regulations", is presently operating certain wells in the State of New Mexico under an exception granted until March 31 from the new rules and regulations promulgated by the Oil Conservation Commission, effective January 1, 1950.

2. That Applicant is operating said wells in compliance with former rules and regulations of the Oil Conservation Commission.

3. That Applicant desires to be granted a permanent exception from the requirements of the "Rules and Regulations", effective January 1, 1950, in the cases as herein below specified.

A. Rule 112, Multiple Zone Completions, orders that a multiple zone completion of any well including a bradenhead gas well may be permitted only by order of the Commission upon hearing.

(1) Gulf Oil Corporation R. R. Bell No. 2, located at the SE SE of Section 8, T 21S, R 36E, produces oil from the Grayburg formation and gas from the Yates zone, exposed below an intermediate casing string set at 2789' and cemented with 450 sacks. The gas is used to supply domestic fuel for a company house on the R. R. Bell lease, the Houston camp, and a Skelly Oil Company house in the vicinity. This well was completed on January 6, 1935, and bradenhead gas was first produced in April 1935. An oil string is set and cemented at 3748' and completely segregates the bradenhead gas production from the oil production. Attached is Exhibit No. 1, which shows the location of all wells on applicant's lease and all offset wells on offset leases; and Exhibit No. 2, which shows the manner and method of completion in accordance with Rule 112 (b).

(2) Gulf Oil Corporation B. V. Culp No. 1, located at the NE NW of Section 19, T 19S, R 37E, produces oil from the Grayburg formation.

The Yates, Seven Rivers and Queen gas formations are also exposed in this well below an intermediate casing string set at 2512' and cemented with 875 sacks. The gas is used only for domestic purposes at a company house on the B. V. Culp lease. This well was completed on September 23, 1935, and has been producing bradenhead gas since October 1, 1936. An oil string is set and cemented at 3760' and completely segregates the bradenhead gas production from the oil production. Attached is Exhibit No. 3 which shows the location of all wells on Applicant's lease and all offset wells on offset leases; and Exhibit No. 4, which shows the manner and method of completion in accordance with Rule 112 (b).

(3) Gulf Oil Corporation Graham State No. 2, located at the NE NE NE of Section 24, T 18S, R 37E, produces oil from the Hobbs Lime formation. The Yates and Seven Rivers formations are also exposed below an intermediate casing string set at 2790' and cemented with 600 sacks. The gas produced from this well is utilized for domestic fuel at a company house on the Graham State lease, for gas lifting wells Nos. 1 and 2 on the D. W. Hardin lease, and as required for gas lift at wells 2, 3, and 4 on the Graham State lease. Graham State No. 2 was completed on August 10, 1932, and has been producing bradenhead gas since May 5, 1938. An oil string is set and cemented at 3975' and completely segregates the bradenhead gas production from the oil production. Attached is Exhibit No. 5 which shows the location of all wells on Applicant's lease and all offset wells on offset leases; and Exhibit No. 6, which shows the manner and method of completion in accordance with Rule 112 (b).

B. Rule 202 (b) specifies that if a well is to be temporarily abandoned and no casing pulled, then a plug shall be placed at the top and bottom of the casing in such a manner as to prevent intrusion of any foreign matter into the well.

(1) Gulf Oil Corporation has temporarily abandoned eight wells in New Mexico which do not conform to the requirements of this new order. These eight wells and their locations are tabulated as follows:

Bell Ramsay No. 8	NW NW 4-21S-36E
W. A. Ramsay "B" No. 2	SW NW 25-21S-36E
M. Campbell No. 2	NE SW 7-21S-36E
H. Leonard No. 3	NW NE 22-21S-36E
S. J. Carr No. 1	NW SW 3-24S-37E
J. R. Holt No. 1	SW SE 16-24S-37E
H. T. Orcutt No. 1	SE NW 5-21S-36E
H. T. Orcutt "B" No. 1	Lot 7 5-21S-36E

(2) Exhibit No. 7 attached shows the well name, completion date, producing formation and depth, date of temporary abandonment, casing size and setting depth, sacks of cement used, top of cement column (if available), tubing size and setting depth (if any), packer setting (if any), total depth, and type of casinghead on each of the eight temporarily abandoned wells.

(3) Exhibit No. 7 shows that in each case the oil string has been cemented and that only one productive zone is open.

(4) All of the eight wells as tabulated under Paragraph 3-B-(1) above are closed off at the surface by fittings with a WP of 1000 psi or greater and therefore in no instance are these wells exposed to the atmosphere.

C. Rule 309 stipulates that common tankage is limited to eight units on the same basic lease.

(1) Gulf Oil Corporation H. T. Mattern "E" lease, described as the N/2 of Section 12 and SW/4 of Section 1, T 22S, R 36E, in the Arrowhead Pool, has twelve producing wells for which common tankage is provided as permitted under exception to former rules and regulations.

(2) Gulf Oil Corporation W. A. Ramsay lease, located in Section 35, T 21S, R 36E, in the Arrowhead Pool, has eleven producing wells for which common tankage is provided as permitted under exception to former rules and regulations.

(3) Gulf Oil Corporation Arnott-Ramsay "C" lease, located in Section 21, T 21S, R 36E, in the Eunice Pool, has fourteen producing wells for which common tankage is provided as permitted under exception to former rules and regulations.

(4) In each case above where common tankage is provided for more than eight producing units, adequate facilities are available for testing individual wells whenever necessary.

(5) In order to comply with Rule 309 substantial expense in erecting new tankage and providing for new lead line connections would be required.

D. Rule 404, among other things, stipulates that no gas from a natural gas well shall be used to gas lift oil wells unless all gas produced is processed in a gasoline plant or beneficially used thereafter without waste.

(1) Gulf Oil Corporation Vinson-Ramsay No. 1, located at the SE SE of Section 12, T 26S, R 36E, is being produced by gas lift operation with gas furnished from Gulf Arnott Ramsay "B" No. 1, NW SW SW Section 32, T 25S, R 37E. Vinson-Ramsay No. 1 is not presently connected to a gas gathering system. The total daily volume of gas used for gas lift purposes at Vinson-Ramsay No. 1 is estimated to average 1810 Mcf per month.

(2) Gulf Oil Corporation has five wells in the Teague Pool which are being gas lifted with gas from Gulf Elson No. 1, located at the NE SW of Section 21, T 23S, R 37E. These wells and their locations are tabulated as follows:

G. G. Travis No. 1	NE SE Section 21-23S-37E
Saltmount No. 1	SE SE Section 21-23S-37E
Lakunyon No. 6	NE NE Section 22-23S-37E
Lakunyon No. 8	SE SW Section 22-23S-37E
Lakunyon No. 10	SE NW SW Section 22-23S-37E

The five wells tabulated above are not presently connected to a gas gathering system, but it is Applicant's understanding that El Paso Natural Gas Company contemplates extending their gathering system to this area in the near future.

(3) Gulf Oil Corporation has approximately 34 wells connected to the Eunice Gasoline Plant gathering system from which the gas lift gas produced is being partially vented because of lean gasoline content and incapacity of the plant to process all available gas. However, Gulf Oil Corporation is presently considering an expansion of facilities at the Eunice Gasoline Plant which should substantially reduce or eliminate the venting of gas.

(4) Gulf Oil Corporation has several other wells in the Teague Pool and the Langlie Mattix Pool for which gas lift operation is contemplated in the near future. The source of gas will be from the same gas system or an extension of the system that furnishes gas to the five wells tabulated in 3-D-(2) above. Tabulated below are the wells for which gas lift operation is contemplated:

Stewart No. 1	NW SE Sec. 29-23S-37E
La Munyon No. 3	SE NW Sec. 29-23S-37E
La Munyon No. 4	NW NW Sec. 29-23S-37E
La Munyon No. 5	NW NW Sec. 21-23S-37E
La Munyon No. 7	SW SW Sec. 22-23S-37E
La Munyon No. 9	NW NW Sec. 27-23S-37E
La Munyon No. 11	NE NW Sec. 27-23S-37E
La Munyon No. 12	SW NW Sec. 27-23S-37E
La Munyon No. 13 (drlg)	SE NW Sec. 27-23S-37E
La Munyon No. 14 (drlg)	NE SW Sec. 22-23S-37E

The gas gathering facilities as contemplated in Paragraph 3-D-(2) would extend to all of the above wells.

Wherefore, your Applicant prays that the Oil Conservation Commission of the State of New Mexico grant a permanent exception to the "Rules and Regulations" ordered effective as of January 1, 1950, in the specific cases included in this Application as follows:

(1) In Paragraphs 3-A-(1), 3-A-(2), and 3-A-(3) permanent exception to Rule 112, Multiple Zone Completions, is requested for Gulf wells R. R. Bell No. 2, B. V. Culp No. 1, and Graham State No. 2.

(2) In Paragraph 3-B-(1) permanent exception to Rule 202 (c) is requested for eight wells as specified.

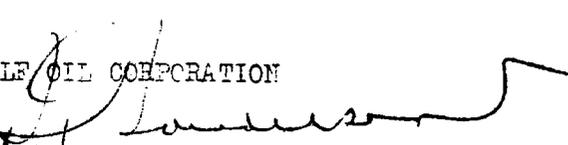
(3) In Paragraphs 3-C-(1), 3-C-(2), and 3-C-(3) permanent exception to Rule 309 is requested for Gulf leases H. T. Mattern "E" and W. A. Ramsay, Arrowhead Pool; and Arnott-Ramsay "C", Eunice Pool.

(4) In Paragraphs 3-D-(1), 3-D-(2), and 3-D-(3) permanent exception to Rule 404 is requested for Gulf wells Vinson-Ramsay No. 1, G. G. Travis No. 1, Saltmount No. 1, La Munyon No. 6, La Munyon No. 8, La Munyon No. 10, and 34 wells connected to the Eunice Gasoline Plant from which gas is partially vented.

(5) In Paragraph 3-D-(4) permanent exception to Rule 404 is requested for Gulf wells Stewart No. 1, La Munyon Nos. 3, 4, 5, 7, 9, 11, 12, 13, and 14, for which gas lift operation is contemplated in the near future.

Respectfully submitted,

GULF OIL CORPORATION

By 

S. G. Sanderson
Manager of Production

EXHIBIT NO. 1

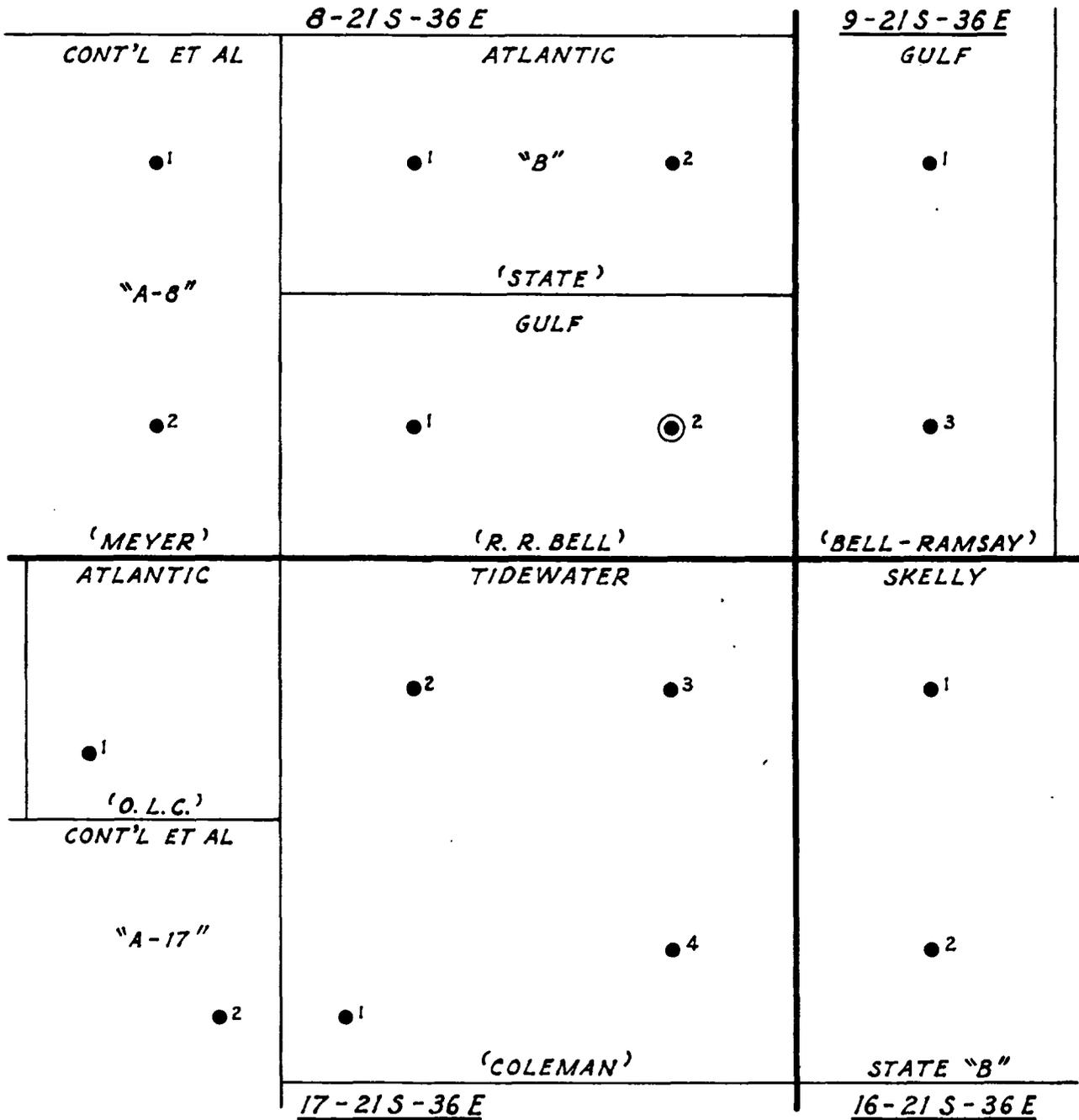
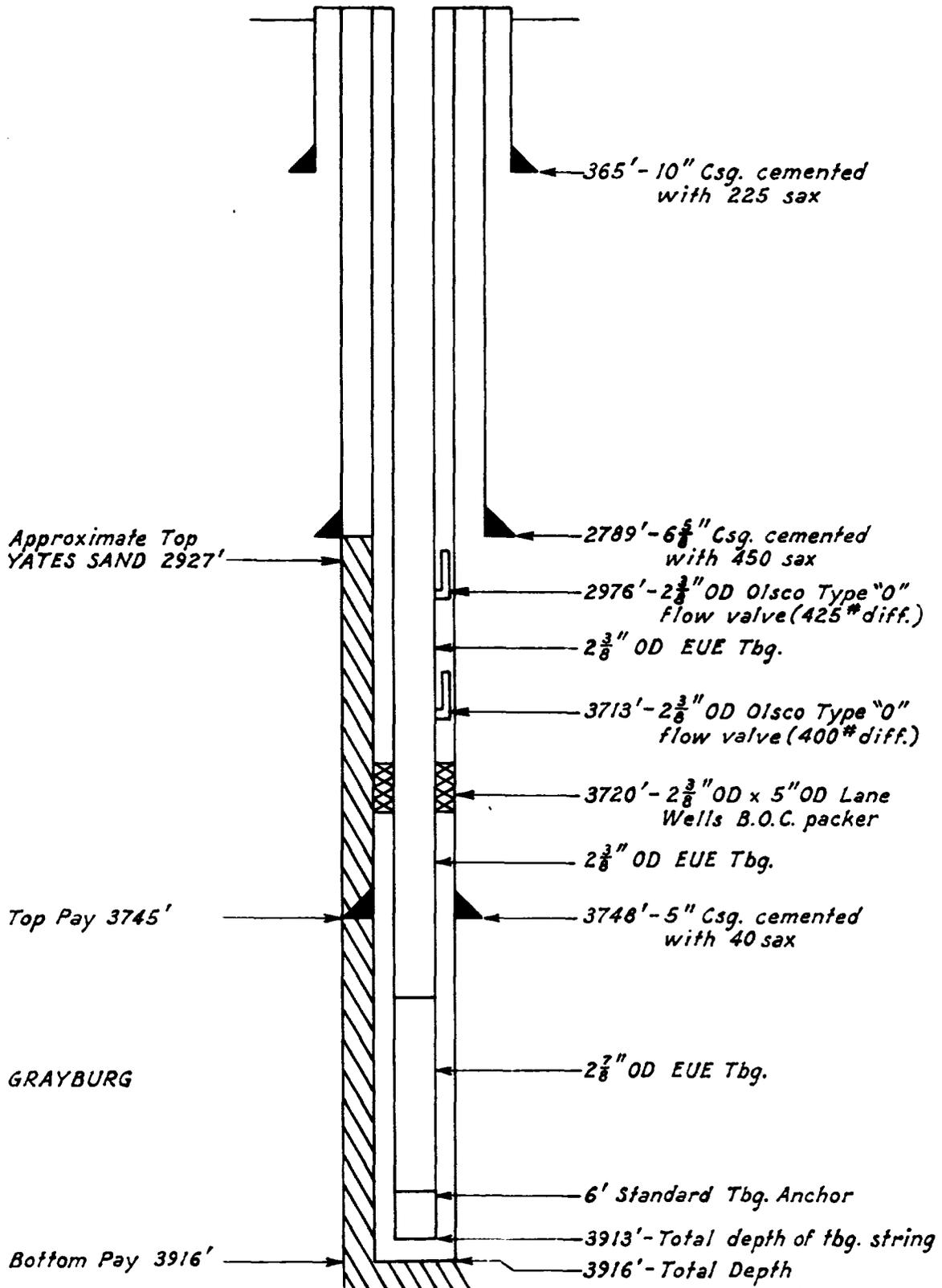


EXHIBIT NO. 2

R. R. BELL NO. 2
WELL COMPLETION DATA



13-19 S-36 E

SKELLY

● 1

AMERADA

● 1

(MON-STATE)

(STATE "G")

SHELL

PHILLIPS

● 1

● ● 1

(CULP)

18-19 S-37 E

TEXAS

● 1

● 2

(SAUNDERS)

GULF

⊙ 1

● 6

17-19 S-37 E

CONT'L

● 1

(STATE "A-17")

TIDE WATER

● 1

(STATE "F")

AMERADA

● 2

● 2

● 3

● 4

● 5

● 1

(STATE "C")

(B. V. CULP)

(STATE "L")

TEXAS

CONT'L

PHILLIPS

SHELL

TEXAS

● 1

● 1

● 1

● 1

● 2

● 1

(STATE "F")

(STATE "A-19")

(LAND OFFICE)

(STATE "D")

(H. T. MATTERN)

24-19 S-36 E

19-19 S-37 E

20-19 S-37 E

EXHIBIT NO. 3

EXHIBIT NO. 4

B. V. CULP NO. 1
WELL COMPLETION DATA

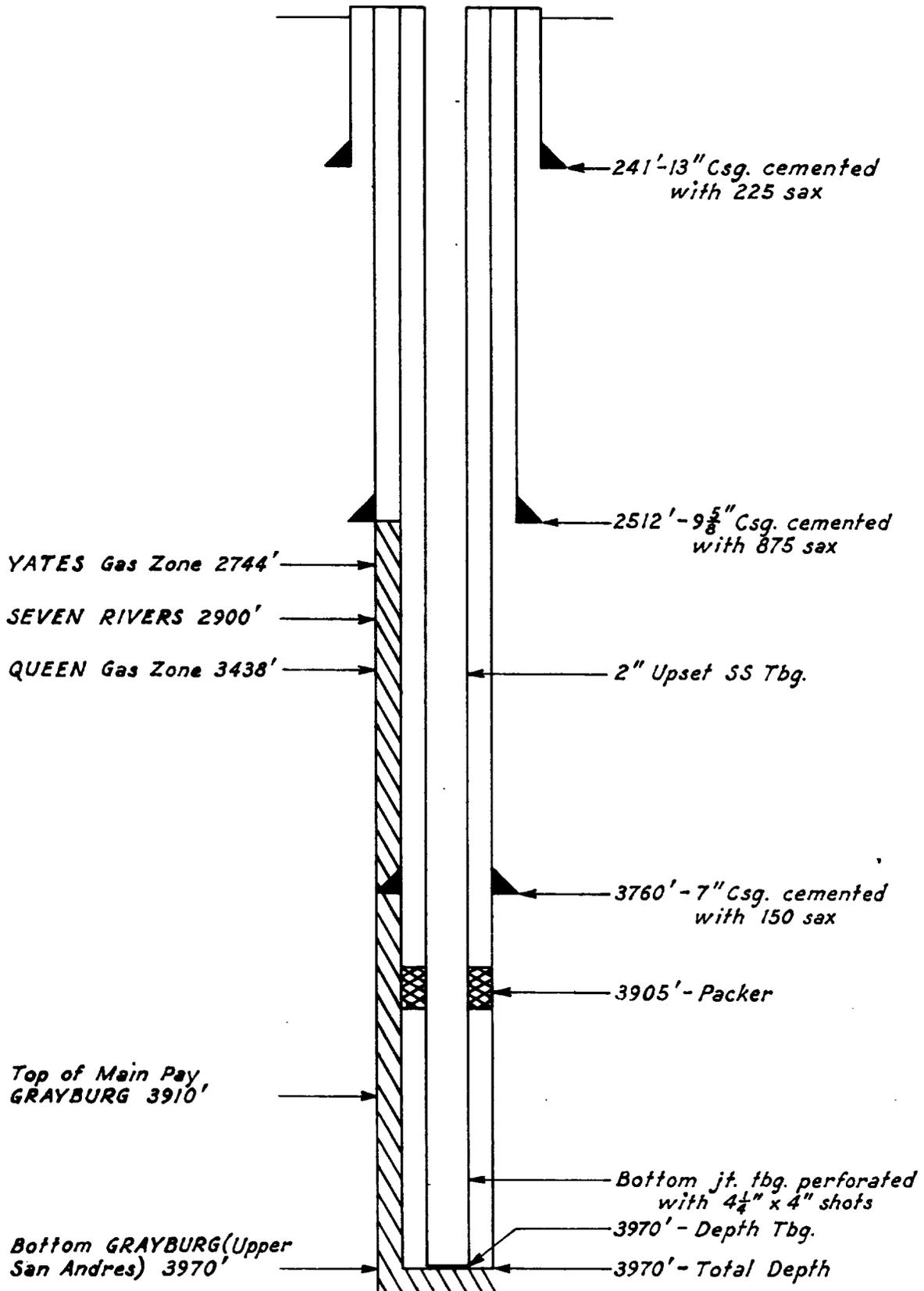


EXHIBIT NO. 5

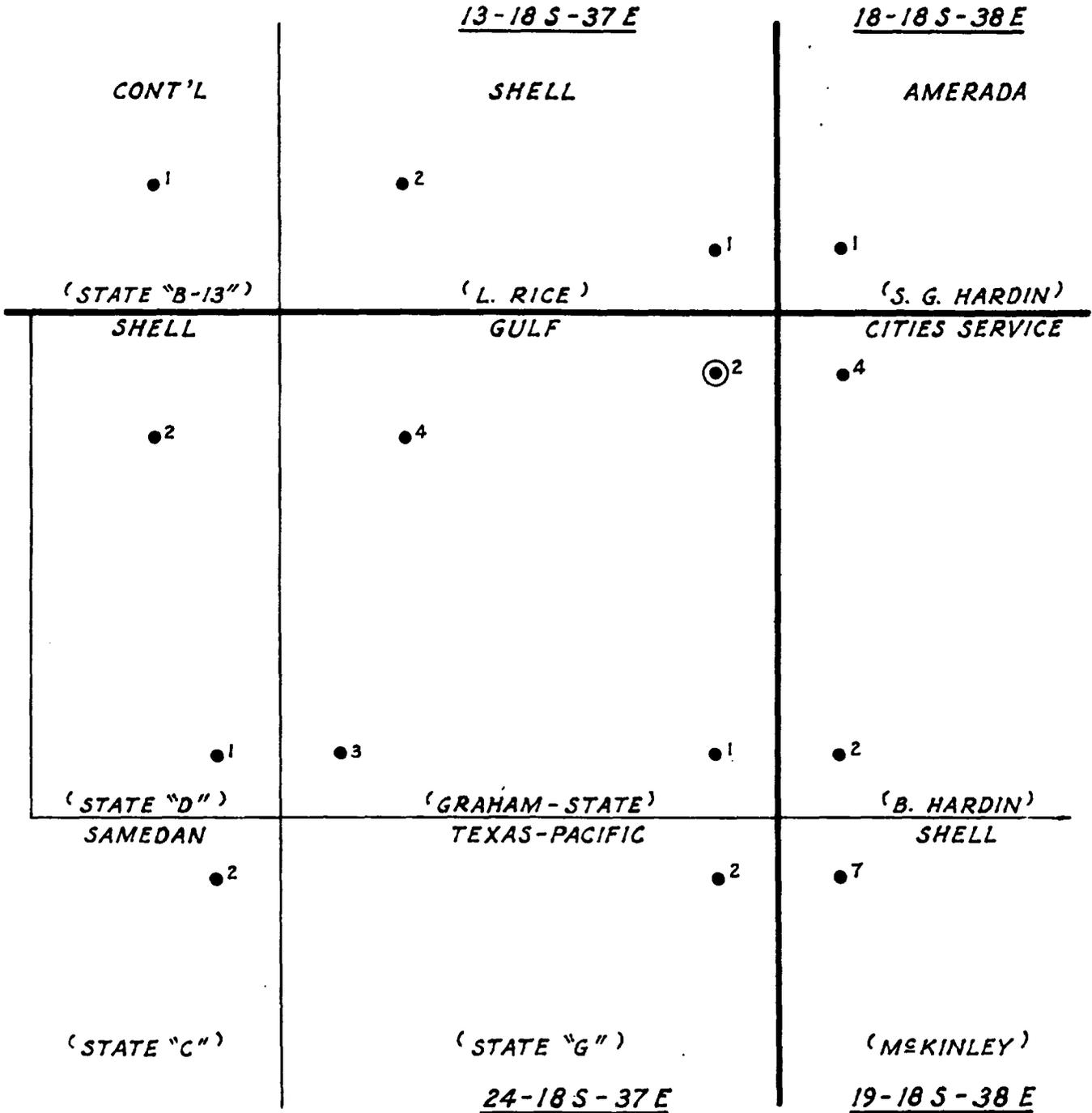


EXHIBIT NO. 6

GRAHAM STATE NO. 2
WELL COMPLETION DATA

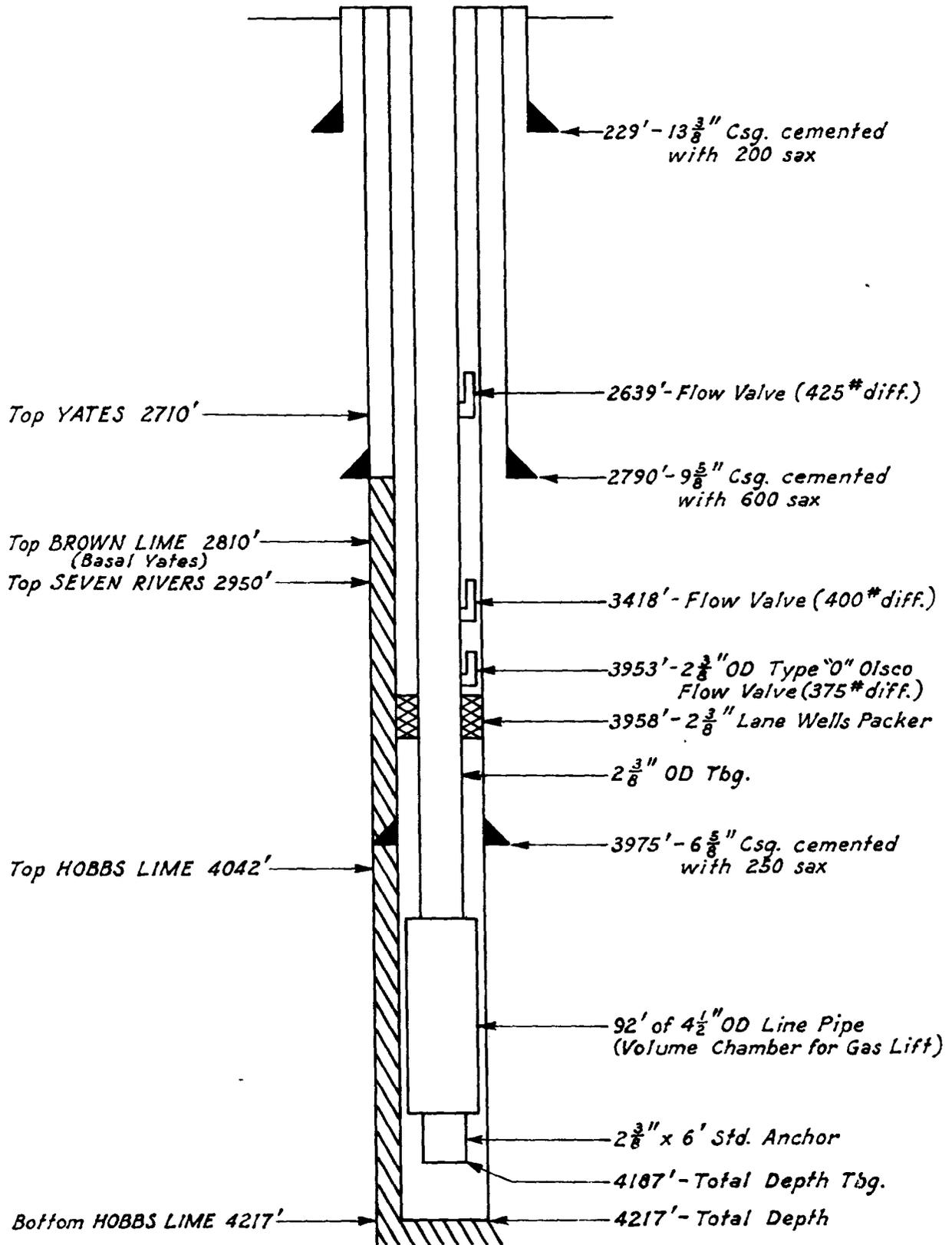


Exhibit 7
Temporarily Abandoned Wells

Well	Completion Date	Prod. Form. and Depth	Date Temp. Abandoned	Casing		Sacks Cement Used	Top Cement per Ten. Survey	Tubing		Packer Setting	Total Depth	Casing Head
				Size	Setting Depth			Size	Setting Depth			
Bell Ramsay No. 8	7-20-36	Grayburg 3840-90'	7-13-45	5 1/2"	3630'	300		2 3/8" EUE	3880'	None	3890'	7 5/8" x 5 1/2" Hercules Type "A"
M. Campbell No. 2	2-8-37	Grayburg 3805-3900'	12-1-45	5 1/2"	3733'	150		2 3/8" EUE	3900'	3804'	3900'	7 5/8" x 5 1/2" Hercules Type "A"
Carr No. 1	9-9-36	Penrose Sand, 3514-46'	6-3-45	7"	3484'	100		None	---	---	3625'	10 3/4" x 7" Hercules Type "A"
Holt No. 1	11-19-38	Penrose Sand, 3425-55'	8-1-46	7"	3395'	350		2 3/8" EUE	3460'	None	3548'	10 3/4" x 7" Hercules Type "A"
Leonard No. 3	11-6-36	Grayburg 3805-40' 3860-90'	7-24-48	5 1/2"	3760'	175	2610'	2 3/8" EUE	3890'	None	3895'	7 5/8" x 5 1/2" Hercules Type "A"
Orcutt No. 1	9-16-35	Grayburg 3805-90'	11-1-48	5 1/2"	3713'	15		2 3/8" EUE	3890'	3810'	3890'	7 5/8" x 5 1/2" Hercules Type "A"
Orcutt "B" No. 1	4-29-36	Grayburg 3765-3865'	9-1-49	5 1/2"	3745'	300		2 3/8" EUE	3838'	3788'	3865'	7 5/8" x 5 1/2" Hercules Type "A"
W. A. Ramsay "B" #2	10-31-44	Grayburg 3845-55'	2-4-45	5 1/2"	3746'	200	2530'	None	---	---	3855'	9 5/8" x 5 1/2" Hercules Type "A"